RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 10-0276411 IN THE PAINT RIDGE (CANYON GRANITE WSH) FIELD, OLDHAM COUNTY, TEXAS

FINAL ORDER APPROVING THE APPLICATION OF APACHE CORPORATION FOR EXCEPTION TO STATEWIDE RULE 32 FOR ITS BIVINS-LIT LEASE, WELL NOS. 302 AND 1151 PAINT RIDGE (CANYON GRANITE WSH) FIELD OLDHAM COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on June 14, 2012, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that Apache Corporation is hereby granted an exception to Statewide Rule 32 for its Bivins-Lit Lease, Well Nos. 302 (API No. 42-359-30343) and 1151 (API No. 42-359-30341) in the Paint Ridge (Canyon Granite Wsh) Field, Oldham County, Texas. Apache Corporation is authorized to flare a volume of 210 MCFPD and 130 MCFPD of casinghead gas, from the Bivins-Lit Lease, Well Nos. 302 and 1151, respectively, for a time period no greater than 12 months from the date of this Final Order. This authority is granted provided all production is reported on the appropriate Commission forms.

Done this 17th day of July, 2012.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated July 17, 2012)